

STATE OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

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GOVERNOR

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EUGENE A. CONTI, JR. SECRETARY

June 8, 2011

The Honorable Daniel R. Elliot, III Chairman Surface Transportation Board 395 East Street, SW Washington, DC 20423

Subject: Response to Docket EP_705_0, Notice of Intent to Participate in Hearing on Competition in the Rail Industry

Dear Chairman Elliot:

I am writing to express the North Carolina Department of Transportation's (NCDOT) intent to participate in the June 22, 2011 Surface Transportation Board (STB) hearing on Competition in the Rail Industry. Thank you for the opportunity for NCDOT to participate in this hearing. The regulatory program of the Board with respect to competitive access is profoundly important to the state of North Carolina and its citizens.

Jim Trogdon, NCDOT's Chief Operating Officer, will speak on behalf of the department and would like to request a speaking time between 10:00 a.m. and 2:00 p.m. on June 22.

Attached is the written testimony Mr. Trogdon will deliver. The key issues to be addressed are:

- 1) Development of a competitive pricing structure for the rail component of intermodal service at the Port of Wilmington;
- 2) Establishment of a competitive pricing methodology for freight service to the port at Morehead City and to the North Carolina Global TransPark (GTP);
- 3) Determining, in an era of public-private partnerships (PPPs), the proper method of maximizing the value of the public investments in publicly assisted ventures, such as the Charlotte/Douglas Airport intermodal and GTP facilities;
- 4) Assuring public transparency in the pricing process and access to competition for rail customers.

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Chairman Elliott June 8, 2011 Page 2

Thank you again for the opportunity to participate in the Board's exploration of the current state of competition in the railroad industry and the potential policy alternatives to facilitate more competition.

Sincerely,

Eugene A. Conti, Jr.

Enclosure: STB Testimony